



U.S. Department of Justice

*United States Attorney
Southern District of New York*

86 Chambers Street, 3rd Floor
New York, New York 10007

March 12, 2008

BY FACSIMILE

Hon. Charles L. Brieant
United States District Judge
United States Courthouse
300 Quarropas Street, Room 275
White Plains, New York 10601
Facsimile: (914) 390-4077

**Re: *United States of America v. South Fallsburg, Ltd., et al.,*
No. 08 Civ. 0218 (CLB) (LMS)**

Dear Judge Brieant:

This Office represents the plaintiff in the above-referenced action. I write to request an adjournment of the initial conference, presently scheduled for this Friday, March 14, 2008, at 9:15 AM, and for leave to seek a default judgment, instead. This action was filed on January 10, 2008, and served on South Fallsburg, Ltd. on January 28, 2008. Neither South Fallsburg, Ltd., nor any representative, has answered the complaint, sought an extension of time, or contacted this Office in any fashion.

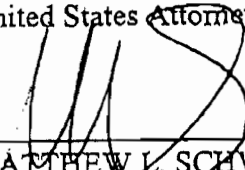
By way of background, this action seeks to foreclose on a Department of Agriculture mortgage on a twenty-four unit, low-income housing complex in Sullivan County. The loan was made in 1988, and the defendant has been in arrears (first on property taxes, and then on the loan itself) since 1989. The loan officially became delinquent on March 1, 1993, and the note was accelerated and the defendant declared in default on January 16, 2007. In the interim, the USDA conducted numerous supervisory visits to the property and observed repeated maintenance problems, including problems with drainage, roofing, and insulation. Accordingly, this Office filed suit to foreclose on the mortgage and, in the interim, for appointment of a receiver to manage the property. Given the defendant's failure to make payments on its mortgage obligations for the past fifteen years, it is not surprising that they have also defaulted in this action. Accordingly, the Government respectfully seeks leave to file a motion for a default judgment and for an adjournment, *sine die*, of the initial conference.

Thank you for your consideration of these requests.

Respectfully,

MICHAEL J. GARCIA
United States Attorney

By:


MATTHEW L. SCHWARTZ
Assistant United States Attorney
Telephone: (212) 637-1945
Facsimile: (212) 637-2750

cc: BY FEDERAL EXPRESS

South Fallsburg, Ltd.
c/o Corporation Service Company
80 State Street
Albany, New York 12207

South Fallsburg, Ltd.
200 North Washington Square, Suite 20
Lansing, Michigan 48933